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Foreign Crops and MARKETS



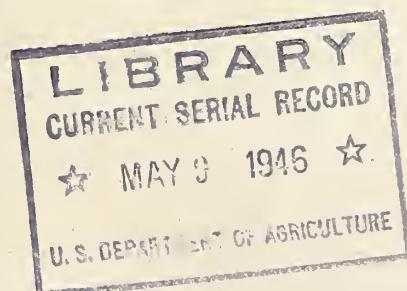
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Issued by the OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

L A T E N E W S

The Uruguayan Government on April 23 expropriated all stocks of wheat and wheat flour. The Government contemplates extensive measures for regulating the milling and use of flour and the distribution of wheat and wheat products. For the present, holders of wheat and flour are prohibited from supplying customers more than 66 percent of their 1945 average deliveries.

New Zealand's wheat flour extraction was increased from 73 percent to 80 percent effective May 1. This is expected to conserve 500,000 bushels during 1946. Present estimates indicate a white potato surplus of 15,000 long tons from the crop now being harvested with no outlets in sight. Meat slaughter to March 30 was approximately 20 percent ahead of last year, attributable to early slaughter and liquidation due to drought. The final season result is difficult to ascertain, but it is expected that the earlier estimate of 525,000 tons, total meats, will be exceeded. Butter-fat production for the season through February was down 10 percent compared with same period last season, with butter graded for export through March down 15 percent and cheese 5 percent.

A shipment of Greek tobacco to the United States was effected about the middle of March. The shipment consisted of about 1,980 short tons of leaf valued at \$4,500,000. A second shipment was scheduled to leave for the United States around the middle of April. Both shipments consisted of 1942 and 1943 crop leaf. The entire 1944 and 1945 crops remain in the hands of growers, a situation which is expected to influence their willingness to expand their plantings for 1946. A new Governmental marketing agency has been established to assist in the sale of the surplus.

The Czechoslovak Food Minister announced that crop prospects in general are very good. The condition of winter-sown grain is excellent. Spring sowing has been carried out under very favorable conditions and has been generally completed except for sugar beets which are now being planted. Farmers are responding well to pleas for increased vegetable acreages. The fodder situation has improved somewhat with better grazing conditions, although pastures are still below normal so that anxiety continues because of the tight feed supply. The only exception to the promising crop outlook is in the war devastated parts of Silesia where the situation is less favorable. The Ministry of Agriculture, however, has provided these districts with farm machinery and it is hoped that conditions there will soon improve.

The first substantial postwar export of Philippine tobacco left Manila for Spain on April 16 aboard the Spanish vessel Plus Ultra. The quantity was 1.5 million pounds of leaf tobacco and it was shipped by Tabacalora, mostly from remaining stocks of the 1940-41 crop. Additional shipments to Spain are contemplated if and when shipping space is available. Small quantities of 50 or 100 bales are being exported occasionally to Shanghai.

*This section is continued on page 275.

WORLD POTATO PRODUCTION DOWN 11 PERCENT

World potato production in the 1945-46 season is tentatively estimated at 6,459 million bushels, compared with 7,298 million bushels in 1944-45 and the 5-year (1935-1939) average of 8,127 million bushels. This decrease is attributed largely to a smaller acreage harvested, although yield per acre was also below average.

About 45.4 million acres were harvested in 1945-46, compared with 49.3 million in 1944-45 and the 5-year (1935-1939) average of 52.3 million acres. The 1945-46 acreage harvested was 8 percent smaller than that in 1944-45 and 13 percent below the prewar average. Most of the decreases in acreage occurred in Europe (excluding the Soviet Union) and particularly in Germany, Poland, and France. As compared with the previous year the acreage in the Soviet Union was increased but it remained substantially below the prewar average.

The 1945 production of potatoes in North America totaled 499 million bushels, compared with 479 million bushels produced in 1944 and the 5-year (1935-1939) average of 428 million bushels. There were relatively large crops produced in the United States and Mexico but a small crop in Canada where yields per acre were unusually low.

Production in Europe (excluding the Soviet Union) is estimated at 3,880 million bushels in 1945, against 4,800 million bushels in 1944 and the 1935-1939 average of 5,340 million bushels. As compared with 1944, the largest decreases occurred in the Netherlands, Belgium, France, Spain, Italy, Germany, Austria, Hungary, Rumania, Bulgaria, Poland, and Lithuania where drought and other unfavorable factors reduced yields considerably. In France, Germany, and Poland there were also sharp decreases in acreages planted to potatoes.

In the Soviet Union increased plantings together with fair yields per acre resulted in a production rise of 78 million bushels, or 5 percent in 1945 over 1944, and 309 million bushels or 21 percent over 1943, but the current crop is 333 million bushels or 16 percent less than the 1935-1939 average. Substantial increases in production in the last 2 years are attributed largely to the recovery of invaded territory and general rehabilitation of the Soviet Union's food production.

Potato production in South America has been well maintained in recent years although the output in the current season estimated at 97 million bushels is slightly lower than in the previous season. Production in Argentina is down somewhat, but it increased substantially in Chile.

In Africa the current season output, estimated at 19 million bushels, is expected to be smaller than in 1944-45 and below the prewar average.

Although information concerning Asiatic countries is scanty, indications point to a better-than-average crop in 1945-46, particularly in Japan and

POTATOES: Acreage, yield per acre, and production in specified areas,
averages 1920-1934 and 1925-1939, annual 1943-1945

| Country | Acreage | | | Yield per acre | | | Production | | |
|----------------------|------------------------|--------|---------|----------------|-----------|-----------|-------------|-------------|-------------|
| | 1930-1934 1934-1939 | | | 1944 | | | 1945 | | |
| | Average | 1943 | 1944 | Average | 1943 | 1944 | Average | 1943 | 1944 |
| acres | acres | acres | acres | bu./acres | bu./acres | bu./acres | bu./bushels | bu./bushels | bu./bushels |
| North America: | | | | | | | | | |
| Canada | 556 | 516 | 533 | 508 | 136.4 | 126.8 | 153.9 | 118.9 | 76,934 |
| United States | 3,033 | 3,331 | 2,922 | 2,824 | 107.6 | 117.2 | 139.6 | 131.1 | 370,502 |
| Mexico | 30 | 37 | 66 | 74 | 62.9 | 63.8 | 68.5 | 62.1 | 1,887 |
| Estimated total .. | 4,070 | 3,630 | 4,045 | 3,627 | 111.5 | 117.9 | 137.2 | 132.1 | 140.7 |
| Europe: | | | | | | | | | |
| United Kingdom | 753 | 719 | 691 | 1,417 | 245.7 | 251.1 | 239.6 | 266.2 | 182,666 |
| Ireland | 328 | 408 | 412 | 388 | 266.8 | 290.7 | 272.5 | 288.7 | 92,039 |
| Norway | 119 | 127 | 200 | 185 | 161 | 266.8 | 253.5 | 176.8 | 1,000 |
| Sweden | 325 | 364 | 343 | 362 | 208.1 | 205.0 | 219.2 | 153.7 | 214.9 |
| Denmark | 188 | 261 | 243 | 267 | 246.3 | 255.6 | 273.3 | 213.0 | 224.9 |
| Netherlands | 395 | 323 | 524 | 395 | 283.4 | 311.9 | 300.8 | 324.3 | 113,911 |
| Belgium | 412 | 383 | 287 | 254 | 224 | 319.8 | 305.1 | 290.7 | 131,758 |
| Luxembourg | 41 | 42 | 24 | 22 | 19 | 172.2 | 188.8 | 238.6 | 199.5 |
| France | 3,489 | 3,489 | (3,459) | (3,359) | (3,089) | 164.4 | 164.9 | 164.9 | 193.0 |
| Spain | 1,031 | 1,124 | 1,137 | (1,112) | (1,112) | 167.6 | 151.8 | 129.3 | 122.3 |
| Portugal | 76 | 77 | 156 | 168 | 193 | 291.8 | 269.8 | 209.9 | 186.9 |
| Italy | 981 | 1,041 | 1,173 | 1,024 | 998 | 88.7 | 71.4 | 84.4 | 87.0 |
| Switzerland | 115 | 120 | 120 | 120 | 120 | 209 | 226.4 | 305.7 | 202.0 |
| Germany | 7,069 | 7,160 | 6,588 | 6,679 | 6,679 | 207 | 226.4 | 201.9 | 221.4 |
| Austria | 1,489 | 520 | 437 | 425 | 371 | 197.5 | 205.9 | 153.8 | 151.3 |
| Czechoslovakia | 1,777 | 1,879 | - | - | - | 189.1 | 193.3 | 167.0 | 141.0 |
| Hungary | 711 | 729 | - | - | (819) | 91.2 | 109.2 | - | 86.6 |
| Yugoslavia | 605 | 646 | - | - | - | 83.5 | 80.0 | - | - |
| Romania | 521 | 669 | - | - | - | 130.7 | 110.2 | - | - |
| Bulgaria | 35 | 45 | 45 | 97 | 93 | 70 | 87.8 | 83.3 | 72.0 |
| Greece | 39 | 53 | - | - | - | 47 | 79.7 | 101.1 | 93.6 |
| Poland | 6,712 | 7,312 | - | - | - | - | 167.5 | 142.3 | - |
| Lithuania | 423 | - | - | - | - | - | 113.6 | 113.3 | - |
| Latvia | 251 | - | - | - | - | - | 187.6 | 187.6 | - |
| Estonia | 170 | 193 | - | 207 | - | 187.7 | 182.0 | - | - |
| Finland | 191 | 215 | 180 | 167 | 161 | 204.3 | 226.3 | 240.9 | 144.3 |
| Estimated total .. | 27,305 | 28,531 | 29,295 | 28,382 | 24,032 | 189.8 | 187.2 | 164.9 | 169.2 |
| | | | | | | | | | 161.4 |
| | | | | | | | | | 5,183,191 |
| | | | | | | | | | 5,339,600 |
| | | | | | | | | | 4,803,021 |
| | | | | | | | | | 4,799,633 |
| | | | | | | | | | 3,879,513 |
| | | | | | | | | | 24,096 |
| | | | | | | | | | 29,395 |

| | | | | | | | | | | | | | | |
|------------------------------------|--------------------------------------|------------------------------|------------------------------|--------------------------------|---|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|-----------|
| Soviet Union..... | 14,695 | 17,569 | - | - | - | 119.6 | 121.5 | - | - | 1,728,036 | 2,134,310 | - | - | |
| South America: | | | | | | | | | | | | | | |
| Argentina | 338 | 311 | 467 | 460 | (372) | 101.1 | 85.7 | 110.2 | 82.0 | (94.9) | 34,184 | 51,444 | (35,307) | |
| Brazil | 98 | 158 | 151 | (140) | (140) | 136.1 | 89.3 | 85.3 | (85.7) | 13,339 | 14,109 | 12,884 | (12,000) | |
| Chile | 125 | 121 | 128 | 120 | 138 | 143.5 | 129.4 | 118.9 | 135.2 | 17,933 | 16,552 | 15,215 | 23,110 | |
| Colombia | 75 | 122 | (54) | (124) | 124 | 89.1 | 72.4 | (89.1) | (102.2) | 6,679 | 9/ | 8,838 | (4,811) | |
| Uruguay | 17 | 18 | 32 | 25 | 24 | 50.8 | 59.9 | 66.7 | 83.2 | 663 | 1,079 | 2,133 | 2,079 | |
| Estimated total | 1,000 | 1,000 | 1,300 | 1,200 | 90.0 | 73.3 | 76.9 | 77.7 | 80.8 | 90,000 | 88,000 | 100,000 | 97,000 | |
| Africa: | | | | | | | | | | | | | | |
| French North Africa: | 54 | 49 | (25) | - | 34 | 65.6 | 89.2 | (75.0) | - | 164.3 | 1,215 | 3,590 | 4,372 | |
| Egypt | 7 | 10 | 32 | 26 | 173.6 | 195.8 | 126.0 | 141.5 | 141.5 | 1,958 | 4,033 | 4,810 | (4,726) | |
| Union of South Africa | 84 | 89 | (75) | (87) | (60) | 60.4 | 69.7 | (69.7) | (72.0) | (62.5) | 5,072 | 6,202 | 5,250 | |
| Madagascar | 34 | 33 | 25 | 35 | 37 | 57.4 | 53.7 | 60.2 | 46.2 | 44.7 | 1,951 | 1,771 | 1,506 | |
| Estimated total | 250 | 287 | 300 | 288 | 67.0 | 68.9 | 66.2 | 70.0 | 66.1 | 16,750 | 22,040 | 19,000 | 21,000 | |
| Asia: | | | | | | | | | | | | | | |
| Japan | 287 | 293 | (367) | (489) | (480) | 141.5 | 202.9 | (202.9) | (187.6) | 40,631 | 59,553 | 74,405 | 99,206 | |
| Chosen | (200) | (250) | - | - | 93.1 | 103.3 | - | - | - | 18,625 | 25,334 | - | (90,000) | |
| Karakuto (Japanese Sakoline) | 10 | 10 | - | - | - | 138.8 | 127.0 | - | - | 1,388 | 1,270 | - | - | |
| Palestine | 2 | 2 | 4 | 6 | 7 | 100.0 | 134.5 | 137.8 | 215.7 | 271.4 | 200 | 269 | 551 | |
| Syria and Lebanon | 18 | 17 | (17) | (17) | 17 | 83.6 | 90.0 | (64.8) | (82.4) | 102.9 | 1,505 | 1,531 | 1,102 | |
| Turkey | 103 | 136 | 151 | (150) | 44.1 | 48.9 | 53.5 | (53.5) | (46.2) | 4,543 | 6,645 | 8,083 | 1,749 | |
| Estimated total | 800 | 850 | 900 | 1,200 | 1,100 | 100.0 | 111.8 | 123.3 | 114.5 | 80,000 | 95,000 | 111,000 | 139,000 | |
| Oceania: | | | | | | | | | | | | | | |
| Australia | 141 | 114 | 181 | 214 | - | 93.2 | 113.2 | 123.6 | 126.8 | - | 13,137 | 12,900 | 22,363 | |
| New Zealand | 25 | 21 | 21 | 30 | - | 190.6 | 232.9 | 223.3 | 105.8 | - | 4,764 | 4,891 | 6,029 | |
| Estimated total | 168 | 180 | 210 | 276 | 280 | 107.3 | 108.9 | 135.2 | 126.8 | 132.1 | 18,020 | 19,600 | 28,400 | |
| Estimated world total | 48,288 | 52,280 | 47,437 | 49,293 | 45,396 | 157.4 | 155.4 | 149.8 | 148.0 | 142.3 | 7,599,997 | 8,126,550 | 7,108,421 | 7,297,633 |
| a/ Preliminary. | b/ Excluding gardens and allotments. | c/ Less than 5-year average. | d/ Including small planters. | e/ Includes Southern Dobrudja. | f/ Bushels; 1 bushel = 12.857 acres, 3,881.528 bushels. | g/ Includes Southern Dobrudja. | h/ Includes Southern Dobrudja. | i/ Includes Southern Dobrudja. | j/ Includes Southern Dobrudja. | k/ Includes Southern Dobrudja. | l/ Includes Southern Dobrudja. | m/ Includes Southern Dobrudja. | n/ Includes Southern Dobrudja. | |

Compiled from official sources where available, estimates made by the Office of Foreign Agricultural Relations shown in parentheses. Harvesting in the Northern Hemisphere begins in July for the main or late crop, and in February and March of the following year in the Southern Hemisphere.

a/ Preliminary. b/ Excluding gardens and allotments. c/ Less than 5-year average. d/ Including small planters; 1943 12,864 acres, 3,940,243 bushels; 1944 12,857 acres, 3,881.528 bushels. e/ Includes Southern Dobrudja.

1943

Palestine. For the Continent excluding China the indicated production totals 126 million bushels, compared with 139 million in 1944-45 and the 1933-1939 average of 95 million.

Production of potatoes in Oceania has increased steadily during the war years and in 1945-46 is placed at 37 million bushels. This output is slightly above the production of the previous season and nearly double the prewar average of 20 million bushels.

This is one of a series of regularly scheduled reports on world agricultural prospects approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. For this report the Committee was composed of C. M. Purves, acting chairman, Gustave Burmeister, Flora E. Miles, L. B. Bacon, Lazar Volin, Kathryn H. Wylie, and Robert J. Manovill.

C O M M O D I T Y D E V E L O P M E N T S

GRAINS, GRAIN PRODUCTS, AND FEEDS^{1/}

MEXICAN RICE DEMAND EXCEEDS SUPPLIES

Despite a record harvest in Mexico during the latter part of 1945, supplies are considered insufficient to meet the increased demand for rice this year, according to a report from the American Embassy in Mexico City. The 1945 crop is unofficially estimated at 6,124,000 bushels (180 million pounds milled). This is larger than the 5,801,000 bushels (170 million pounds) in the preceding season and 1.5 million bushels (45 million pounds) more than the prewar (1937-1941) average. Favorable weather during the latter part of the season improved the crop in the largest rice area, the Yaqui Valley, where water scarcity earlier presented prospects for a below-average yield.

Mexican rice consumption has gained steadily in recent years, requiring all of the domestic production since 1943. In that year rice exports were prohibited. From the production during 1937-1941, about 15 million pounds were exported annually, and record shipments in 1942 amounted to 52 million pounds. Rice imports would be necessary to satisfy the 1946 demand, but because of the world scarcity, this cereal is not available in any volume for import from other countries.

1/ This Section is continued on page 273.

FATS AND OILSCUBA LIFTS VEGETABLE
OILS, FATS DUTIES

Duties and fees on edible vegetable oils, fats, and oilseeds imported into Cuba were waived until June 30, 1946, by a recent executive decree. One of the purposes of this measure is to aid the import of soybean oil from the United States so it can be sold within Cuban ceiling prices. The cost to Cuban importers was increased 4 cents per pound for refined soybean oil because of the United States processors' subsidy collected on exported soybean oil since January 1, 1946. In addition, it is hoped that the decree will make possible the import of other oleaginous commodities for sale under local ceiling price.

COTTON AND OTHER FIBERSWEEKLY COTTON PRICES
ON FOREIGN MARKETS

COTTON: Price of certain foreign growths
and qualities in specified markets

| Market location, kind, and quality | : | Date | Unit of weight | Unit of Currency | Price in: foreign: currency: | Equivalent U.S.cents per pounds |
|---------------------------------------|------|--------------|-------------------|---------------------|------------------------------------|---------------------------------------|
| Alexandria (spot) | : | | Kantar | : | : | : |
| Ashmouni, F.G.F..... | : | 1946 | :99.05 lbs. | Tallari | Not available | |
| Giza 7, F.G.F..... | : | | :99.05 lbs. | Tallari | Not available | |
| Karnak, F.G.F..... | : | | :99.05 lbs. | Tallari | Not available | |
| Bombay (May futures).... | : | | Candy | : | : | |
| Jarilla..... | 4-25 | :784 lbs. | | Rupee | 465.00 | 17.90 |
| Bombay (spot) | : | | : | : | : | |
| Kampala, East African... | 4-25 | :784 lbs. | | Rupee | 850.00 | 32.72 |
| Buenos Aires (spot) | : | | Metric ton | : | : | |
| Type B..... | 4-27 | :2204.6 lbs. | | Peso | 1700.00 | 22.96 |
| Lima (spot) | : | | Sp.quintal | : | : | |
| Tanguis, Type 5..... | 4-27 | :101.4 lbs. | | Sol | 135.00 | 20.48 |
| Recife (spot) | : | | Arroba | : | : | |
| Mata, Type 5..... | 4-26 | :33.07 lbs. | | Cruzeiro | 100.00 | 16.22 |
| Sertao, Type 5 | 4-26 | :33.07 lbs. | | Cruzeiro | 105.00 | 17.03 |
| Sao Paulo (spot) | : | | Arroba | : | : | |
| Sao Paulo, Type 5 | 4-26 | :33.07 lbs. | | Cruzeiro | 117.50 | 19.06 |
| Torreon (spot) | : | | Sp.quintal | : | : | |
| Middling 15/16" | 4-26 | :101.4 lbs. | | Peso | 100.25 | 20.34 |

Compiled from Weekly cables from representatives abroad.

BRITISH EAST AFRICAN SISAL OUTPUT SUFFERS

Sisal production in British East Africa is expected to decrease sharply during 1946 because of a general labor shortage now existing on plantations. Production during 1945 reached a peak of about 334.4 million pounds, compared with approximately 319 million pounds during 1944.

Tanganyika accounted for 262 million pounds in 1945 and 249 million pounds in 1944, or approximately 78 percent of the total British East African output each year. The remainder was produced principally in Kenya. Only small amounts were reported from Uganda.

Scarcity of labor has become so serious in East Africa that it is feared the Tanganyika sisal output during 1946 may be cut as much as one-third below the amount that could normally be expected. Conscription of native labor ceased on December 31, 1945, and the last of the contracts for laborers who are already employed will expire by September 30, 1946. Recruiting of labor is not expected to furnish an adequate number of workers owing to the scarcity of goods for purchase in the early postwar period which leaves little wage incentive for the natives to work on the sisal plantations. In Tanganyika about 100,000 African laborers, or about one-third of the total number employed, have been engaged in sisal production.

Practically all of the sisal produced in British East Africa is exported. Following a long-time trend of rising production, output averaged about 261 million pounds annually before the war, representing slightly more than half of the world supply of sisal.

Shipping restrictions at the outbreak of the war resulted in accumulation of surplus supplies in East Africa, and the British Government moved to reduce production. This action soon proved to be only temporary. Wartime demand for fiber and a betterment in shipping conditions with increased allotments of space for sisal quickly reversed the situation, and fiber was moved out at the rate of 304 million pounds a year during the 3 years ended with 1943. An output of about 319 million pounds was made available to the Allied Nations during 1944 and the greatest quantity of all time, 334.4 million pounds, was produced in 1945. The expected decrease in 1946 will be the result of the scarcity of labor rather than of any decrease in harvested areas.

TOBACCO

HUNGARY'S TOBACCO PRODUCTION DOWN

In 1945, Hungary's tobacco production amounted to about 22.4 million pounds from 24,601 acres, according to a report from the American Legation at Budapest. The 1945 crop was one of the smallest on record, but prospects point to a larger outturn from the contemplated minimum area of

34,000 acres to be planted this spring. During the prewar (1935-1939) period, Hungary's tobacco production averaged 51.6 million pounds annually from 40,700 acres. The annexation of the principal tobacco-growing areas of Czechoslovakia enabled Hungary nearly to maintain its tobacco production in spite of wartime difficulties, and the outturns from the 1940-1944 crops averaged 45.2 million pounds.

HUNGARY: Tobacco acreage and production,
average 1935-1939, annual 1940-1945

| Year | : | | Production |
|-------------------------|--------------|---|---------------------|
| | Area planted | | delivered to |
| | | | Monopoly |
| | <u>Acres</u> | | <u>1,000 pounds</u> |
| Average 1935-1939 | 40,700 | : | 51,599 |
| 1940 a/ | 42,376 | : | 33,995 |
| 1941 a/ | 39,247 | : | 35,384 |
| 1942 a/ | 42,233 | : | 47,487 |
| 1943 a/ | 52,187 | : | 51,367 |
| 1944 a/ | 48,064 | : | 57,805 |
| 1945 | 24,601 | : | 22,399 |
| | : | | : |

Official sources and consular reports.

a/ Data include annexed territories.

During most of World War II, supplies of tobacco were sufficient to meet the needs of Hungary's consumers. Output records indicate that tobacco consumption increased considerably during the war years. In 1943, production of cigarettes reached 7.5 billion pieces, compared with only about 2.3 billion in 1938. The output of cigarette and pipe tobacco and cigars nearly doubled. Shortages of products began to appear in late 1944, and a system of rationing was instituted. About 60 million cigarettes are distributed monthly under the rationing system, but it is probable that considerable quantities are reaching the consuming public through channels other than Monopoly sales.

When the war reached Hungary, the country's tobacco industry suffered tremendous losses, especially from destruction of tobacco sheds and stocks of leaf and damage to factories and their equipment. The Monopoly's 12 tobacco factories currently in operation have been modernized and new equipment has been procured. Plans have been made eventually to increase Hungary's tobacco acreage to about 75,000 acres. To achieve this end, a program has been drawn up for the replacement of destroyed sheds and other necessary buildings. Decrees have been issued making cultivation of tobacco by certain farmers compulsory. Advance bonuses of tobacco products, or their equivalent in cash, will be paid to farmers, to be repaid in leaf tobacco when the crop is sold to the Monopoly.

Hungary has long been one of Europe's principal tobacco-producing and exporting countries. The surplus of dark air-cured leaf grown in Hungary found ready markets. Prior to the war, France, the Netherlands, Austria, and Belgium, were the principal buyers of Hungarian leaf. Exports

of leaf tobacco during the prewar (1935-1939) period, averaged 19.2 million pounds annually. During the war, exports continued on a large scale and averaged 20.9 million pounds during 1940-1943, chiefly destined to Germany. Trade data for 1944 and 1945 are not available, but in view of the domestic shortages, exports were probably on a limited scale. The expansion program undertaken by the Monopoly is an apparent effort to provide a substantial surplus which will enable the country to regain its important position as a tobacco exporter.

BRAZIL'S TOBACCO OUTLOOK FAVORABLE

The year 1945 was an exceptionally successful one for Brazil's tobacco industry, and indications are that 1946 will be even more prosperous. Demands for leaf both for domestic consumption and export were in excess of available supplies and brought about favorable price reactions. Although some tobacco-producing areas in the State of Rio Grande do Sul were affected by drought, for the country as a whole yields were average or somewhat above. The total outturn of leaf for all of Brazil for 1944-45, based on incomplete data, may be estimated at 210 million pounds. A larger outturn for 1945-46 is in prospect since plantings for the current season were expanded considerably.

The 1944-45 crop of air-cured leaf in the State of Bahia, totaled 57.9 million pounds from 74,000 acres. Plantings of flue-cured tobacco in Rio Grande do Sul for the 1944-45 season amounted to about 17,300 acres, but drought conditions reduced yields and the total outturn of flue-cured leaf amounted to 19.8 million pounds, compared with about 23 million during 1943-44. Production of flue-cured leaf in Rio Grande probably will be of record proportions this season, and the outturn of air-cured in Bahia is expected to exceed last year's crop.

Demand for leaf for domestic manufacture rose considerably during the war years. Trade sources state that production of cigarettes reached 20 billion in 1945, compared with about 12 billion in 1935. High wages, concentration of smokers in the urban areas, and an increase in the number of women smokers accentuated the trend towards smoking of ready-made cigarettes, and resulted in less usage of twist, cigars, and other forms of processed tobacco. Reports indicate that cigarette factories are working at capacity and may need replacements and additional equipment in the near future to meet increased demands. Cigarettes of United States origin continue to be increasingly popular, particularly in the coastal cities, but high duties and sales taxes have placed them in the luxury class.

In spite of a prohibition on exports of leaf tobacco during a portion of 1945, shipments abroad totaled 69.2 million pounds, compared with 63.3 in 1944 and with an average of 71.1 million during the 5-year (1935-1939) period. Of total exports, Spain took 18.1 million pounds and Argentina 12 million. Other principal customers for Brazilian leaf in 1945 were Morocco, Switzerland, the Netherlands, France, and Belgium.

FRUITS, VEGETABLES, AND NUTSCITRUS CROP SMALL
IN SOUTH AFRICA

South African production of all citrus for 1946 is estimated at 5,050,000 boxes, 11 percent below the 5,679,000 boxes in 1945 and 27 percent less than the 5-year (1940-1944) average of 6,874,000 boxes. Owing to a severe drought in the spring, the 1946 crop is only 65 percent of normal. Of the total output, oranges amounted 4,292,000 boxes, compared with 4,827,000 in 1945; grapefruit 606,000, compared with 681,000 last year; and other citrus (mostly lemons) 152,000, compared with 170,000 in 1945. Even with a limited crop, the Citrus Control Board is proposing to export to Great Britain between 2-1/2 and 3 million cases, allowing only a limited quantity for local consumption.

There are around 5-1/4 million citrus trees in South Africa, but during the year, little expansion has taken place because of lack of planting stock and suitable citrus land.

ARGENTINE ONION
CROP SHOWS RISE

Argentina onion production for the 1945-46 season is now indicated at 3,063,000 bags of 100 pounds, or 62 percent above the 1944-45 crop of 1,888,000 bags. In San Juan, the largest producing Province, the crop is estimated at 1,784,000 bags, nearly twice as much as the 919,000 bags produced last season. Total acreage for Argentina is placed at 22,000 acres, 47 percent more than the 15,000 acres harvested in the previous season.

BRAZIL-NUT PRODUCTION
RETURNING TO NORMAL

The 1946 preliminary forecast for Brazil-nut production in the Amazon Basin of Brazil is 24,700 short tons, unshelled basis, compared with 6,800 tons in 1945 and 3,330 tons in 1944. The 1945 and 1944 estimates have been revised upward on the basis of recently received data. This forecast is 3 percent above the 5-year (1939-1943) average of 24,000 tons and 22 percent below the 10-year (1934-1943) average of 31,500 tons.

The industry has been marked by considerable speculative interest and sky-rocketing of prices since restrictions were removed. American importers vied with one another to obtain the limited supply available for shipment in the fall of 1945. Many made future contracts for prices nearly three times prewar levels. By January, it was reported shelled nuts, f.o.b. Belem, were between 55 and 62 cents per pound and unshelled 18 to 19-1/2 cents per pound. In February prices narrowed to around 58 to 60 cents for shelled and 17 to 19 cents for unshelled, f.o.b. Belem, per pound. Manaus prices were a little lower.

On April 1, exporters estimated that 50 percent of the 1946 crop had been contracted for by American buyers and some indicated that before the end of the season American buyers probably would have 70 percent of the production cornered. A marked interest is beginning to be shown by Canada, England, Australia, and Argentina, with some sales to Canada already reported. Argentine importers seem unwilling to make satisfactory offers, and it is doubtful whether they will obtain more than limited supplies.

Exports during 1945 totaled 1,565 short tons of shelled nuts, of which 1,542 tons went to the United States. An additional 139 tons were shipped to Southern Brazil. A total of 2,206 tons of unshelled nuts were exported abroad, with the United States receiving 1,943 tons. Argentina was the only other important foreign buyer, taking 224 tons of unshelled nuts. South Africa and Peru were the destinations for the remainder. Southern Brazil accounted for an additional 583 tons of unshelled.

During January and February of 1946, a total of 17,387 cases were exported to the United States and 250 cases to Canada. Stocks on hand in Belem and Manaos at the end of February were estimated to be about 2,000 short tons of unshelled and 165 tons of shelled, which is considerably below a normal prewar February. Most of the stocks on hand were already sold and await shipment to the United States.

The industry in Bolivia has not yet returned to normal though 16 cases of shelled nuts moved through Brazilian ports enroute to the United States.

UNITED STATES: Imports of Brazil nuts,
1945-46 with comparisons

| Year ^{a/} | Shelled | | | Unshelled | | |
|--------------------|------------|-----------------|------------|------------|-----------------|------------|
| | Brazil | Other countries | Total | Brazil | Other countries | Total |
| | Short tons | Short tons | Short tons | Short tons | Short tons | Short tons |
| Average - | | | | | | |
| 1935-36 through | | | | | | |
| 1939-40 | 4,346 | 67 | 4,413 | 9,703 | 217 | 9,920 |
| 1940-41 | 7,871 | 217 | 8,088 | 13,327 | 0 | 13,327 |
| 1941-42 | 5,016 | 316 | 5,332 | 8,812 | 0 | 8,812 |
| 1942-43 | 2,180 | 11 | 2,191 | 4,525 | 35 | 4,560 |
| 1943-44 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1944-45 | 0 | 0 | 0 | c/ | 0 | c/ |
| 1945-46 b/ | 1,688 | 1 | 1,689 | 393 | 0 | 393 |

Compiled from official records of the Bureau of the Census.

a/ Crop year, July-June. b/ Eight months, July 1945 through February 1946. c/ Less than one-half tons.

During the war the Brazil-nut industry was badly disorganized when exports were practically stopped owing to the joint action of the United States, the United Kingdom, Canada, and Brazil. Restrictions were removed too late in the fall of 1945 to permit any sizable shipments from Brazil. In the Amazon Basin, exporters, with their customary energy, set about restoring the trade to its prewar level or better. The task of reconversion or restoration in an area comprising more than a million and a quarter square miles dependent almost entirely upon water transportation, much of it primitive, is a gigantic one, and it is surprising that present estimates are so high.

LIVESTOCK AND ANIMAL PRODUCTS

WESTERN CANADA CUTS

CATTLE MARKETINGS

Faced with lower prices offered by packers for cattle, Canadian farmers around Winnipeg began the last week of April to withhold their cattle from market. Some of the cattle that would otherwise be marketed are being placed on pasture in anticipation that market prices will be higher later in the year.

Lower prices paid by packers toward the end of April were brought about by increases in business costs. In order to sell dressed meat at ceiling prices, their only recourse in covering the higher costs was to pay less for cattle on the hoof.

Packers announced that the new prices would not be more than 12 cents (Canadian money) for steers, 11 cents for heifers, and 9 cents for cows. This represents a decline of from 25 to 75 cents per hundred pounds on butcher cattle. Receipts from farmers are reported down to 40 percent of normal.

Wholesale prices of beef in the Winnipeg Zone range from 20 to 20-1/4 cents a pound for the better carcass grades. All the meat in excess of domestic demand is taken by the Meat Board at 20 cents for export.

NEW ZEALAND DAIRY OUTPUT AT LOW LEVEL

The March output of butter and cheese in New Zealand continued well below last year as a result of summer drought in the Northern Districts which was broken by early March but not in time to affect autumn production materially. Winter prospects, however, are much improved but will have little influence on the year's production.

As indicated by export gradings, the March butter output was 52 percent below that for the same month last year, and cheese showed a corresponding decline of 21 percent.

Butter stocks at the beginning of April were reported at 52,416,000 pounds, compared with 68,096,000 pounds a year earlier. Cheese stocks, however, were reported at 58,688,000 pounds, which is nearly double the 27,328,000 pounds held in store on April 1, 1945.

DANISH PIG NUMBERS
SHOW SEASONAL RISE

As a result of a seasonal increase in farrowings, the number of suckling pigs in Denmark on March 23, 1946, was 63,000 head higher than 6 weeks earlier. The total of all classes of hogs is also 63,000 head higher as the number of sows and older pigs remains unchanged.

DENMARK: Hog numbers, March 23, 1946,
with comparisons

| Date | Sows | | Suckling pigs | Pigs and | | |
|----------------------|----------------|----------------|------------------|----------------|-----------|----------------|
| | Bred | Total | | Boars | slaugh- | Total |
| | Thou- sands | Thou- sands | | Thou- sands | ter hogs: | Thou- sands |
| March 23, 1940 ...: | 254 | 382 | 734 | 18 | 1,932 | 3,066 |
| March 8, 1941: | 138 | 211 | 364 | 11 | 1,287 | 1,373 |
| March 21, 1942 ...: | a/ | 145 | 229 | 8 | 385 | 1,267 |
| March 27, 1943 ...: | 131 | 204 | 435 | 9 | 1,226 | 1,874 |
| March 25, 1944 ...: | 132 | 220 | 489 | 10 | 1,572 | 2,291 |
| April 7, 1945: | 98 | 160 | 348 | 8 | 1,105 | 1,621 |
| October 6, 1945 ..: | 128 | 213 | 492 | 9 | 1,084 | 1,798 |
| November 17, 1945 : | 125 | 209 | 477 | 9 | 1,188 | 1,883 |
| December 29, 1945 : | 127 | 200 | 392 | 8 | 1,177 | 1,777 |
| February 9, 1946 ..: | 123 | 193 | 356 | 8 | 1,192 | 1,749 |
| March 23, 1946 ...: | 120 | 195 | 419 | 8 | 1,190 | 1,812 |

Compiled from official sources.

a/ Not available.

AUSTRALIAN WOOL
EXPORTS UP SHARPLY

Australia's wool exports for the first half (July-December) of the current season increased 41 percent above those for the same period a year earlier to reach 337 million pounds. This is 22 percent under average shipments for the same 6 months of the prewar (1935-1938) years.

Shipments to the United States reached 133 million pounds, or 43 percent above the same period of 1944, while exports to the United Kingdom rose to 153 million pounds, or 14 percent above a year earlier. In comparison with the average for prewar (1935-1938) years, shipments to the United States were almost ten times greater while those to the United Kingdom were 14 percent smaller.

Owing principally to increased exports to the United States, shipments to non-European sources were 56 percent larger than in 1944. For the first time since the fall of France, Australia has shipped some wool to the Continent, 20 million pounds going to France and 8 million pounds to Belgium. Normally, in the prewar seasons 1934-35 to 1938-39, 41 percent of Australian exports went to continental Europe.

BRITISH WOOL INDUSTRY FACES LABOR SHORTAGE

Employers in the British wool industry are competing on disadvantageous terms for a limited supply of labor. The Government has had no success in persuading elderly and married women to stay at their employment in the mills or in getting retired workers to come back. Young girls and women have been able to obtain higher paid jobs in other consumer goods industries while the contrast between working conditions in the war factories and in the wool mills built largely in the last century is a further deterring factor. Decentralization of the industry has also served to spread rather thinly the few hundred workers who have returned from the war.

At the beginning of December 1945, stocks of raw wool held by the Wool Control were reported at 600 million pounds greasy wool basis, compared with 562 million pounds on the same date of 1944. Wool stocks, including those in the hands of private dealers and manufacturers on December 1, 1945, reported at 805 million pounds, had increased to 812 million pounds by January 1, 1946. Estimates for January 1, 1939, are not available, but at the beginning of the war stocks were placed at 550 million pounds.

BRITISH GOVERNMENT BUYS 1946 WOOL CLIP

The 1946 British wool clip is to be purchased by the Government on the same basis as that of 1945 and previous wartime clips (see Foreign Crops and Markets, June 26, 1944, page 533, for price quotations). The Wool Control pays a subsidy on British wool to compensate farmers for increased costs. No statement has been made as to whether merchants, toymakers, spinners, and manufacturers will be allowed to buy British wool from the Government without limit for building up stocks, as in the case of Dominion wool, but it is anticipated that there will be a similar development.

GRAINS, GRAIN PRODUCTS, AND FEEDS (cont)

AUSTRALIA PLANS WHEAT EXPANSION

The 1946 wheat acreage in Australia is expected to be considerably larger than in 1945 and also somewhat larger than the prewar average, according to recent reports. The goal, set at 15.5 million acres, contrasts

with the 1945 acreage of 11.5 million acres and the 5-year (1934-1938) average of about 13 million acres. The substantial increase authorized was attributed to Australia's small supplies in view of large world import needs. Wheat stocks, including flour, at the beginning of December were only about 11.5 million bushels, and production was also below average.

According to the announced goals, the bulk of the expansion is planned in Western Australia, New South Wales, and South Australia. The goal set for South Australia would bring acreage in that State back to the prewar level, while the goals for both New South Wales and Western Australia are considerably larger than the prewar average. The wheat area in the latter State was reduced more than in other States during recent years, as a result of a provision in the wheat stabilization scheme making a compulsory reduction of a third in the wheat area of Western Australia.

Growers may plant without restrictions in 1946, though licensing of wheat areas will be continued. Among the difficulties that might prevent seeding the full acreage called for in the goal, are shortages of machinery and transportation to haul superphosphates to inland areas. Plans call for allotment of 40 percent more fertilizer to wheat growers than in 1945.

Early season conditions were reported favorable for preparing the land. Good rains were received over much of the wheat area in January and February, and preparations to plant an increased acreage were said to be progressing.

AUSTRALIA: Wheat goals for principal producing States,
1946 with comparisons

| State | Average | 1945 | 1946 |
|------------------------|-------------|-------------|-------------|
| | 1934-1938 | | |
| | 1,000 acres | 1,000 acres | 1,000 acres |
| New South Wales..... | 4,168 | 4,047 | 5,200 |
| Victoria..... | 2,522 | 3,227 | 3,350 |
| Queensland..... | 312 | 400 | 600 |
| South Australia..... | 3,096 | 2,040 | 3,090 |
| Western Australia..... | 2,864 | 1,800 | 3,260 |
| Total..... | 12,962 | 11,514 | 15,500 |
| | : | : | : |

Compiled from official sources.

BRITAIN LIMITS GRAIN USE IN BREAD, BEER

The size of the standard 2-pound loaf of bread in the United Kingdom is to be reduced to 1-3/4 pounds, thus making a cut of 12-1/2 percent in flour requirements, according to an official announcement made April 25. At the same time a cut in beer production to 90 percent of the prewar output was ordered. Current production is above prewar, and the reduction

from the present level is placed at 15 percent. The move is expected to effect a substantial saving in barley.

As an additional measure to free grain for use in the urgently needed areas, the Government agreed to divert 200,000 long tons of grain during April and May from British supplies and from shipments on the way to the United Kingdom.

LATE NEWS (cont)

The Bolivian Government reinstated control over all sales of flour in order to conserve existing stocks until a contract can be made with Argentina for the country's 1946 wheat requirements.

The Finnish food-fat situation can be relieved only by increasing the fodder crop, especially potatoes, and by reducing livestock numbers so that a larger proportion of the feed supply can be used for producing milk, according to a recent statement by Minister Vilhula. The Minister pointed out that negotiations were in progress for the sale of 500,000 kilograms (1 kilogram = 2.2 pounds) of cheese to the Soviet Union in exchange for 6 million kilograms of fodder. This exchange was referred to as advantageous since 5 kilograms of fodder produces 1 kilogram of cheese. The Soviet Union has also promised to deliver an additional quantity of 11,000 short tons of grain before the next harvest. Finland will thus obtain 121,000 tons of grain before the next harvest, he stated. Of that quantity, 55,000 tons are to be delivered before July 7.

A Mexican decree dated April 30 exempted certain foodstuffs from the payment of import duties for an indefinite period. No information is available as yet relative to the commodities exempted, but informed sources state that at least corn, wheat, and fats and oils will be included.

Announcement of measures taken to improve the Peruvian food situation was made by the Peruvian Government. These include the lowering of prices for rice and Argentine lard, the supply of foodstuffs from Government stocks to the Consumer Cooperatives, the importation of 100 trucks and 2,000 jeeps for sale at cost to farmers, and irrigation of 600 hectares (about 1,500 acres) of uncultivated land in the Department of Arequipa. The announcement stated that there was no shortage of sugar, rice, and vegetables, that the potato supply is improving, and that Argentine lard is being distributed to meet the shortage of domestic lard. The meat supply was referred to as difficult because of transportation shortages.

Great Britain's wheat flour extraction rate has been raised from 85 percent to 90 percent, according to an official announcement. The extraction rate was 73 percent before the war.

A reduction in bakers' supplies of sugar and fats is also expected to cut biscuit and cake production by 25 percent. The higher extraction rate is expected to cut down the amount of animal feedstuffs.

